

FAA Central Region
ECHO-WEB GRANT PAYMENT REQUEST
GUIDELINES AND PROCEDURES

These instructions provide guidelines and procedures for sponsors to follow for making requests for reimbursement of the Federal share on Airport Improvement Program (AIP) projects using the Federal Transit Administration's (FTA) Electronic Clearing House Operation, or ECHO System.

ECHO is a personal computer (PC) web-based application that processes draw down requests and makes payments to the sponsor. ECHO processes the payment requests by validating the individual payment request against the available project balance maintained by DOT's accounting system. ECHO then transmits requests approved for payment to the Sponsor's financial institution through Treasury's Automated Clearing House (ACH) process. Normally, Federal funds are deposited in the Sponsor's bank account the following day.

ECHO requires a PC, an ISP (Internet Service Provider), and a browser (Internet Explorer or Netscape Navigator). All hardware and software for ECHO is available off-the-shelf.

Office of Management and Budget (OMB) Circulars A-102, A-110 and 31 CFR Part 205, governs payment to recipients for financing operations under Federal grant and other programs. These regulations require that payment to a grantee be limited to the minimum amounts needed and timed so as to be in accord only with the actual, immediate cash requirements of the grantee in carrying out the approved project.

The FAA agrees to set up the Sponsor for the ECHO system based on the following:

1. The maximum ECHO amount shall be based on the grant amount of each active AIP development and planning grant, and any increases or decreases to the grant amount, if applicable.
2. The Sponsor may initiate cash drawdowns for only the Federal share of eligible project costs only when needed for immediate disbursement and agrees to expend all Federal funds obtained under the project for project purposes no later than three business days after receipt of those funds. Only one drawdown request shall be made per day for each project. There is no minimum limit on the dollar amount. All ECHO claims must be in whole dollars (drop all cents to next lower whole dollar). FTA strongly encourages putting all projects on one request.
3. Since Federal funds paid on AIP projects are based on reimbursement, rather than advanced funds, the Sponsor shall complete the Outlay Report and Request for Reimbursement for Construction Programs (SF-271) which shows the breakdown of the total project costs by classification, any nonparticipating costs for ineligible work items, the total project costs, the Federal share to date, the total Federal payments received to date, the amount requested for reimbursement, and is signed by the Sponsor's authorizing official.
4. The Sponsor agrees to comply with the following provisions:
 - a. Change Orders -- The Sponsor must have written concurrence of any change order unless otherwise directed by Airports Division Central Region.
 - b. Land Acquisition -- Either prior to or with the submission of the drawdown, the Sponsor must submit to the FAA the Certificate of Title, or preliminary title evidence for land, and easements, or a Quit Claim Deed being acquired under the grant, as required by the special condition in the grant agreement.

- c. Special Conditions -- It is the Sponsor's responsibility to comply with all special conditions in the grant agreement which limit grant payments and/or describes non-participating work items that are not eligible for Federal funding. The Sponsor shall insure that drawdowns do not exceed the payment limitation until satisfactory actions have been taken and the sponsor is in receipt of a letter from the FAA that specifically clears the special condition.
- d. Master Plan Project or Airport Layout Plan (ALP) Planning Project -- The Sponsor shall withhold 10 percent of grant amount from final payment to the consultant until Sponsor has been notified that FAA has accepted the Final Master Plan Report, approved the ALP, and accepted any related environmental work, whichever applies.
- e. Construction Project -- The Sponsor shall withhold funds from contractor payments in accordance with Advisory Circular (AC) 150/5370-10A. If warranted, approval from FAA may be requested to reduce the amount of contractor retainage being withheld.

5. REQUEST FOR REIMBURSEMENT. The Sponsor must first complete the **Outlay Report and Request for Reimbursement for Construction Programs (SF-271)**, or the **Request for Advance or Reimbursement (SF-270)** for planning projects. The **ECHO Drawdown Checklist** must also be completed to remind the sponsor of specific reimbursement requirements.

The project number field in ECHO-Web allows up to 9 numbers but for most Sponsors, the project number is 8 numbers. The project number for ECHO purposes does not begin with the "3", the project number begins with the 2-digit state number (19 for IA, 20 for KS, 29 for MO, & 31 for NE), then the 4-digit airport number, and then the 2 or 3-digit project number. A 3-digit project number begins at 100, for example, -99, -100, -101.

When the ECHO-Web drawdown is completed and the **ECHO – Web PAYMENT REPORT (ECHO Report)** has been printed, the Sponsor should type or print the accumulative Federal funds claimed to date for each project on the bottom of the ECHO Report. Immediately fax or mail the **Echo Report, SF-271/270 Outlay Report**, and the **ECHO Drawdown Checklist** to the FAA Project Manager in the Central Region Airports Division at 816-329-2610 or 2611.

The Sponsor is required to submit the SF-270 or the SF-271 with the **ECHO Report** and **ECHO Drawdown Checklist**, to provide the FAA Project Manager with information on the AIP project. Additionally, the FAA strongly recommends evidence supporting all incurred costs (invoices, billing statements, receipts, purchase orders, etc.) be submitted with each SF-271.

6. NEW GRANTS AND AMENDMENTS. Prior to making the first drawdown on a new grant or after an amendment has been executed to increase the grant amount, the Sponsor shall wait until the executed grant agreement or amendment has been returned to FAA and FAA has converted the "reservation" of funds to "obligated" funds in the DOT accounting system.

7. FINAL PAYMENT AND GRANT CLOSEOUT. The Sponsor shall not make an ECHO drawdown of the final \$5,000 on grants of less than \$500,000 and \$10,000 on grants of \$500,000 or more, (10% or \$5,000, whichever is greater, on planning projects) until the Sponsor has submitted all closeout documents satisfactory to the FAA Project Manager and has received FAA approval on their determination of the reasonableness, eligibility, and necessity of the final claimed costs. FAA will give approval to make the final drawdown by letter. If warranted, approval from FAA may be requested to reduce the amount being withheld.

For grant closeout, the Sponsor shall submit to the FAA Project Manager in the Central Region Airports Division a final Outlay Report (SF 270 or 271), signed and dated, which provides a breakdown of final project costs for each project cost classification with the following documentation attached, if applicable.

- a. Final Contractor's pay estimate, signed and dated by Project Engineer and Contractor.
- b. Final Consultant Engineer's invoice. The final invoice shall be broken down into line items/categories, as shown in the consultant engineering agreement, and show the lump sum amount and/or 'not to exceed' amount and fixed payment provided in the contract for both design engineering and construction engineering. Amendments revising the original contract amounts shall also be shown on the invoice.
- c. Other project costs, such as administrative costs, shall be listed with breakdowns, as appropriate.
- d. **Sponsor Certification for Construction Project Final Acceptance** and any associated project close out documents (Construction and Equipment projects only).
- e. For land acquisition projects: **Sponsor Certification for Real Property Acquisition and Land Acquisition Cost Breakdown form** (or a similar Sponsor's form) with cost information on each parcel (land or easements) acquired under the project, and supporting cost documents, as requested by the Project Manager.
- f. Other required closeout documents for AIP projects, as required by Central Region Guidance for Project Closeout Requirements.

9. **ERRORS.** If the Sponsor makes an error in a drawdown or fails to expend the Federal funds within three business days of the date of receipt, they shall immediately contact the FAA Project Manager to determine what corrective action shall be taken. If the error results in interest being earned on Federal funds, the interest must be paid to the FAA. Make the check payable to "Federal Aviation Administration" and mail to the FAA Project Manager in FAA Central Region Airports Division.

10. The Sponsor is not authorized to draw advance funds. The Sponsor may initiate cash drawdowns only when actually needed for immediate disbursement for project purposes.

11. The Sponsor shall maintain a financial management system which meets the standards for fund control and accountability prescribed in the common rule on grant management, 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

12. The Sponsor agrees to report its cash disbursements and balances in a timely manner as required by FAA. The Sponsor agrees to submit any additional forms, reports, or supporting documentation required by the FAA, the Department of Treasury, or the Office of Management and Budget (OMB).

13. It is understood and agreed that failure to adhere to the provisions set forth in this agreement shall cause the ECHO Control Number and User ID to be revoked. In the event of revocation, subsequent payments shall be made by the ACH requisition payment method for individual projects, based on payment requests in the form prescribed by the FAA. In addition, failure to honor these requirements may result in other remedies authorized by Federal law or regulations.

14. It is understood and agreed that FAA Airports Division, and/or their representatives may perform periodic reviews of the Sponsor's procedures for preparing and making drawdowns using the ECHO system to ensure that the Sponsor's payment requests are correct and include only project costs which are eligible, and are supported with adequate documentation.

